

**THE BRITISH FRIENDS OF ZICHRON MENACHEM
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

THE BRITISH FRIENDS OF ZICHRON MENACHEM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr. E. Seliger Mr. B Resnick Mr. R Green
Charity number	1102612
Principal address	30 Brookside Road London NW11 9NE
Independent examiner	Mike Haberfeld BSc FCA Landau Morley LLP 325-327 Oldfield Lane North Greenford Middlesex UB6 0FX
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling ME19 4JQ
Solicitors	RadcliffesLeBrasseur 5 Great College Street Westminster London SW1P 3SJ

THE BRITISH FRIENDS OF ZICHRON MENACHEM

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THE BRITISH FRIENDS OF ZICHRON MENACHEM

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

The ultimate purpose of the charity is to increase the quality of life of children with cancer and their families.

The charity achieves its objectives by holding triennial summer camps in the UK for young cancer patients and biennial "respite holidays" for the parents of children suffering from cancer. A secondary objective is to provide intermittent financial support to Zichron Menachem in Israel to assist it with its broad activities. These funds have played a role in growth and development of Zichron Menachem in Israel, helping make it the first support organisation that families turn to for support and advice after a child is diagnosed with cancer.

The charity raises funds to support its charitable activities by holding specific events to increase awareness of the charity as well as specific fundraising activities. An example of a specific campaign is the hair cutting campaign where young women are encouraged to grow their hair and raise sponsorship. The hair is then cut and used to make wigs for the cancer patients in Israel and the UK.

Volunteers are used to a limited extent and assist with summer camps, respite holidays and fundraising events.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its activities for the year and, as can be seen from this Report, the charity's aims are for the public benefit.

Achievements and performance

Covid-19 meant that the charity was unable to host the annual respite trip for Israeli parents of children suffering from cancer in Israel.

In addition, we were unable to hold our fundraising hair parties. However, girls continued to donate their hair and raise sponsorship for us.

A newsletter was sent out in December 2020 to our supporters which helped to raise funds.

Funds were sent to Zichron Menachem in Israel towards the refurbishment of the Dream Centre kitchen and equipment of the youth room.

Financial review

A summary of the charity's transactions and of its financial position is shown in the financial statements together with the accompanying notes.

Due to Bank Leumi closing the type of account we held with them, it was necessary to open a new account in October 2020 with the CAF bank. A "savings" account was also opened.

The policy on reserves is to build up funds, in particular to meet camp expenses and specific requests from Zichron Menachem in Israel. At the year end, the Charity held unrestricted free reserves of £171,676 (2020: £111,629).

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE BRITISH FRIENDS OF ZICHRON MENACHEM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

The British Friends of Zichron Menachem is governed by a Trust Deed, dated 21 January 2004.

The charity is informally affiliated to Zichron Menachem, an Israeli charity which provides support and assistance to Israeli children who have cancer, and their families. Therefore, locally the charity works closely with Zichron Menachem in Israel to ensure that the UK activities and contribution are focused and relevant.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr. E. Seliger

Mr. B Resnick

Mr. R Green

The trustees have complementary skills that help run the charity effectively. Mr Seliger is the day-to-day manager of Zichron Menachem UK and is the primary liason with Zichron Menachem in Israel; Mr Resnick is an accountant by profession and oversees governance and finance; Mr Green founded the emergency response and ambulance service Hatzola and he brings an understanding of health and wellness to the charity.

The power of appointing trustees is vested in the existing trustees. New trustees are recruited from personal contacts of existing trustees. Induction will be carried out by discussion with existing trustees and training will depend on their previous knowledge and experience.

The trustees determine the general policy of the charity. Mr. E. Seliger acts as Chairman and is responsible for overseeing the day to day running of the UK activities.

The trustees' report was approved by the Board of Trustees.

Mr. E. Seliger

Trustee

10 January 2022

THE BRITISH FRIENDS OF ZICHRON MENACHEM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE BRITISH FRIENDS OF ZICHRON MENACHEM

I report to the trustees on my examination of the financial statements of The British Friends of Zichron Menachem (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Mike Haberfeld BSc FCA

Landau Morley LLP
325-327 Oldfield Lane North
Greenford
Middlesex
UB6 0FX

Dated: 12 January 2022

THE BRITISH FRIENDS OF ZICHRON MENACHEM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income from:</u>							
Donations and legacies	2	117,842	33,179	151,021	202,350	93,445	295,795
Investments	3	-	-	-	593	-	593
Total income		117,842	33,179	151,021	202,943	93,445	296,388
<u>Expenditure on:</u>							
Raising funds	4	41,731	-	41,731	64,133	-	64,133
Charitable activities	5	16,321	26,554	42,875	261,629	72,730	334,359
Total resources expended		58,052	26,554	84,606	325,762	72,730	398,492
Net gains/(losses) on investments		-	-	-	3,584	-	3,584
Gross transfers between funds		-	-	-	(1,900)	1,900	-
Net income/(expenditure) for the year/							
Net movement in funds		59,790	6,625	66,415	(121,135)	22,615	(98,520)
Fund balances at 1 April 2020		112,910	26,375	139,285	234,045	3,760	237,805
Fund balances at 31 March 2021		172,700	33,000	205,700	112,910	26,375	139,285

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE BRITISH FRIENDS OF ZICHRON MENACHEM

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		1,024		1,281
Current assets					
Debtors	10	2,219		28,530	
Cash at bank and in hand		208,028		118,210	
		<u>210,247</u>		<u>146,740</u>	
Creditors: amounts falling due within one year	11	<u>(5,571)</u>		<u>(8,736)</u>	
Net current assets			204,676		138,004
Total assets less current liabilities			<u>205,700</u>		<u>139,285</u>
Income funds					
Restricted funds	12		33,000		26,375
<u>Unrestricted funds</u>					
General funds	13	<u>172,700</u>		<u>112,910</u>	
			172,700		112,910
			<u>205,700</u>		<u>139,285</u>

The financial statements were approved by the Trustees on 10 January 2022

Mr. E. Seliger
Trustee

Mr. B Resnick
Trustee

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

The British Friends of Zichron Menachem is an unincorporated charity, registered in England and Wales, whose principal address is 30 Brookside Road, London, NW11 9NE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. In arriving at that conclusion, due consideration has been given to the impact of Covid-19 on the charities activities and finances.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal and constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	20% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	97,517	1,179	98,696	177,350	93,445	270,795
Legacies receivable	15,000	32,000	47,000	25,000	-	25,000
Coronavirus job retention scheme grant	5,325	-	5,325	-	-	-
	<u>117,842</u>	<u>33,179</u>	<u>151,021</u>	<u>202,350</u>	<u>93,445</u>	<u>295,795</u>

3 Investments

	Total	Unrestricted funds
	2021 £	2020 £
Other investment income	<u>-</u>	<u>593</u>

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Fundraising and publicity		
Fundraising events	2,105	6,827
Consultancy	-	4,404
Advertising	8,757	22,180
Support costs	30,869	30,722
Fundraising and publicity	41,731	64,133
	41,731	64,133

5 Charitable activities

	2021	2020
	£	£
Camp	442	195,971
Donations to Zichron Menachem Israel	26,554	85,000
Cancer patient project	-	37,730
	26,996	318,701
Share of support costs (see note 6)	10,510	10,406
Share of governance costs (see note 6)	5,369	5,252
	42,875	334,359
Analysis by fund		
Unrestricted funds	16,321	261,629
Restricted funds	26,554	72,730
	42,875	334,359

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	26,075	-	26,075	24,515	-	24,515
Accountancy fees	-	3,936	3,936	-	3,708	3,708
Bank charges and interest	-	1,433	1,433	-	1,544	1,544
Premises costs	8,811	-	8,811	8,453	-	8,453
Office costs	6,237	-	6,237	7,877	-	7,877
Sundry	-	-	-	(37)	-	(37)
Depreciation	256	-	256	320	-	320
	<u>41,379</u>	<u>5,369</u>	<u>46,748</u>	<u>41,128</u>	<u>5,252</u>	<u>46,380</u>
Analysed between						
Fundraising	30,869	-	30,869	30,722	-	30,722
Charitable activities	10,510	5,369	15,879	10,406	5,252	15,658
	<u>41,379</u>	<u>5,369</u>	<u>46,748</u>	<u>41,128</u>	<u>5,252</u>	<u>46,380</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration, reimbursement of expenses or benefits from the charity during the year.

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	<u>2</u>	<u>2</u>
Employment costs	2021 £	2020 £
Wages and salaries	25,769	24,206
Other pension costs	306	309
	<u>26,075</u>	<u>24,515</u>

There were no employees whose annual remuneration was more than £60,000.

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Tangible fixed assets

	Office equipment £
Cost	
At 1 April 2020	6,665
At 31 March 2021	6,665
Depreciation and impairment	
At 1 April 2020	5,385
Depreciation charged in the year	256
At 31 March 2021	5,641
Carrying amount	
At 31 March 2021	1,024
At 31 March 2020	1,281

10 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	1,013	27,124
Prepayments and accrued income	1,206	1,406
	2,219	28,530

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	412	971
Other creditors	1,259	60
Accruals and deferred income	3,900	7,705
	5,571	8,736

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019 £	Movement in funds		Transfers £	Balance at 1 April 2020 £	Movement in funds		Balance at 31 March 2021 £
		Income/ (Expenditure) £	Resources expended £			Income/ (Expenditure) £	Resources expended £	
Pet therapy	-	35,000	(35,000)	-	-	-	-	-
Cancer patient project	3,760	33,970	(37,730)	-	-	-	-	-
Kitchen refurbishment	-	3,475	-	1,900	5,375	1,179	(6,554)	-
Parent Camp	-	21,000	-	-	21,000	-	-	21,000
Dream Centre - youth room	-	-	-	-	-	20,000	(20,000)	-
Dreammobile	-	-	-	-	-	12,000	-	12,000
	3,760	93,445	(72,730)	1,900	26,375	33,179	(26,554)	33,000

The Pet Therapy funds relates to amounts used for an outdoor pet area in the day centre in Israel, where sick children can interact with the animals.

The cancer patient project relates to amounts received and expended to assist a cancer patient who required specific cancer treatment.

The kitchen refurbishment funds relates to amounts contributed by the Hale & District Hebrew Congregation towards the refurbishment of the kitchens at the Zichron Menachem Dream Centre in Jerusalem.

The Parent Camp funds relates to money received from The Bluston Charitable Settlement to be used towards the cost of the next Parents' Respite Trip in the future.

The Dream Centre fund has been created by a contribution towards the youth room refurbishment at the Zichron Menachem Dream Centre in Jerusalem. The money has been contributed by a legacy.

The Dreammobile fund relates to money contributed by a legacy towards the upkeep of the Zichron Menachem mobile clinic in Israel.

THE BRITISH FRIENDS OF ZICHRON MENACHEM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13 Unrestricted funds

	Movement in funds			Balance at 31 March 2021 £
	Balance at 1 April 2020 £	Income £	Expenditure £	
General funds	112,910	117,842	(58,052)	172,700
	<u>112,910</u>	<u>117,842</u>	<u>(58,052)</u>	<u>172,700</u>

14 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	1,024	-	1,024	1,281	-	1,281
Current assets/ (liabilities)	<u>171,676</u>	<u>33,000</u>	<u>204,676</u>	<u>111,629</u>	<u>26,375</u>	<u>138,004</u>
	<u>172,700</u>	<u>33,000</u>	<u>205,700</u>	<u>112,910</u>	<u>26,375</u>	<u>139,285</u>

15 Related party transactions

During the year, a market value rent of £7,200 (2020: £7,200) was payable to E. Seliger, a trustee, by the charity for office space. Additionally, in relation to the occupation of the premises, amounts totalling £1,611 (2020: £1,253) were payable directly to third party suppliers for utilities.